HB0102/879732/1

BY: Budget and Taxation Committee

AMENDMENTS TO HOUSE BILL 102 (Third Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with "<u>providing</u>" in line 12 down through "<u>costs</u>;" in line 14; and in line 25, after "<u>Agency</u>;" insert "<u>altering a certain maximum fee for commissioning a notary public</u>; altering a certain maximum fee that may be set for <u>certain notarial acts</u>;".

On page 2, in line 1, after "purposes;" insert "altering a certain requirement for the Maryland Transit Administration to set certain fare prices to include a requirement that the Administration increase base fare prices for certain services by a certain percentage from a certain Consumer Price Index;"; strike beginning with "providing" in line 6 down through "year;" in line 8; in line 12, after "Comptroller;" insert "altering the calculation of certain State distributions made to certain counties and Baltimore City based on per capita yield of county income taxes; altering the minimum rate for the county income tax for a county to qualify for a certain grant; repealing a certain obsolete provision;"; in line 23, after "circumstances;" insert "prohibiting merit increases for State employees before a certain date, except under certain circumstances; requiring certain reports to be submitted to certain committees of the General Assembly on or before a certain date;"; in line 24, after "terms;" insert "providing for the effective dates of certain provisions of this Act; providing for the termination of certain provisions of this Act;"; and in the same line, strike "making conforming changes;".

On pages 2 and 3, strike in their entirety the lines beginning with line 42 on page 2 through line 8 on page 3, inclusive.

On page 3, in line 26, after "<u>9-112(d)(4)</u>" insert "<u>, 18-103(e)(3)</u>, and <u>18-112</u>"; after line 28, insert:

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"<u>BY repealing and reenacting, with amendments,</u> <u>Article – State Personnel and Pensions</u> <u>Section 21-308(a)(4)</u> <u>Annotated Code of Maryland</u> (2009 Replacement Volume and 2012 Supplement)";

and in line 31, strike "2-202(a) and".

On page 4, after line 9, insert:

"<u>BY repealing and reenacting, with amendments,</u> <u>Article – Transportation</u> <u>Section 7-208(b-1)</u> <u>Annotated Code of Maryland</u> <u>(2012 Replacement Volume)</u>";

and after line 25, insert:

"<u>BY repealing and reenacting, without amendments,</u> <u>Article 24 – Political Subdivisions – Miscellaneous Provisions</u> <u>Section 9–1101(a)</u> <u>Annotated Code of Maryland</u> (2011 Replacement Volume and 2012 Supplement)

<u>BY repealing and reenacting, with amendments,</u> <u>Article 24 – Political Subdivisions – Miscellaneous Provisions</u> <u>Section 9–1101(b)(2) and (3) and (d)</u> <u>Annotated Code of Maryland</u> (2011 Replacement Volume and 2012 Supplement)

<u>BY repealing and reenacting, without amendments,</u> <u>Article – Local Government</u>

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<u>Section 16-501(a) and (c)(3)</u> <u>Annotated Code of Maryland</u> (As enacted by Chapter _____(H.B. 472) of the Acts of the General Assembly of 2013)</u>

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BY repealing and reenacting, with amendments,

<u>Article – Local Government</u> <u>Section 16–501(b) and (e)</u> <u>Annotated Code of Maryland</u> (As enacted by Chapter _____(H.B. 472) of the Acts of the General Assembly of <u>2013)</u>".

AMENDMENT NO. 2

On page 7, strike in its entirety line 15.

On pages 8 and 9, strike in their entirety the lines beginning with line 3 on page 8 through line 6 on page 9, inclusive.

AMENDMENT NO. 3

On page 9, strike in their entirety lines 7 through 13, inclusive.

On page 11, strike in their entirety lines 2 through 19, inclusive.

AMENDMENT NO. 4

On page 10, after line 32, insert:

"<u>18–103.</u>

(e) (3) Each notary shall pay to the clerk:

(i) a fee of \$1 for qualifying the notary and registering the name, address, and commission expiration date of the notary; and

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(ii) <u>a fee of [\$10] **\$11** or a lesser amount as prescribed by the</u> Secretary of State for the commission issued.

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<u>18–112.</u>

(a) The Secretary of State shall adopt regulations to establish fees, not to exceed [\$2] \$4 for an original notarial act, and an appropriate lesser amount for the repetition of that original notarial act or to make a copy of the matter addressed by that original notarial act.

(b) <u>A notary public may charge 19 cents per mile, or a higher amount set by</u> regulation of the Secretary of State, and a fee not to exceed \$5, as compensation for travel required for the performance of a notarial act.".

AMENDMENT NO. 5

On page 11, before line 1, insert:

"Article – State Personnel and Pensions

<u>21–308.</u>

(a) (4) For fiscal year 2014 and each fiscal year thereafter, in addition to the amounts required under paragraph (2) of this subsection, the Governor shall include in the budget bill [\$300,000,000] **\$200,000,000**.".

AMENDMENT NO. 6

On page 12, after line 30, insert:

"<u>Article – Transportation</u>

<u>7–208.</u>

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(b-1) Subject to § 7-506 of this title, the Administration:

(1) [Shall] SUBJECT TO ITEMS (2) AND (3) OF THIS SUBSECTION, SHALL set the fare prices and collect other operating revenues in an amount sufficient to achieve the farebox recovery requirement established in subsection (b) of this section; [and]

(2) BEGINNING IN FISCAL YEAR 2014, SHALL INCREASE BASE FARE PRICES TO THE NEAREST DIME FOR CORE BUS, LIGHT RAIL, AND METRO SUBWAY SERVICES BY AT LEAST THE SAME PERCENTAGE AS THE 3-YEAR INCREASE IN THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, FOR THE WASHINGTON–BALTIMORE METROPOLITAN AREA, AS DETERMINED FROM JANUARY 1, 2010, TO DECEMBER 31, 2012, AND EACH SUBSEQUENT 3–YEAR PERIOD FOR WHICH THE AMOUNT IS BEING CALCULATED; AND

(3) May not reduce the level of services provided by the Administration for the purpose of achieving the farebox recovery requirement.".

AMENDMENT NO. 7

On pages 14 and 15, strike beginning with "<u>HOSPITAL</u>" in line 36 on page 14 down through "<u>ADOPTED.</u>" in line 4 on page 15 and substitute "<u>A COMBINATION OF</u> <u>SPECIAL FUND REVENUES AND GENERAL FUND SAVINGS FROM REDUCED</u> <u>HOSPITAL OR OTHER PAYMENTS MADE BY THE MEDICAID PROGRAM. THE</u> <u>POLICIES ADOPTED UNDER THIS SUBSECTION SHALL BE IN LIEU OF THE</u> <u>HOSPITAL ASSESSMENT AND REMITTANCE REVENUE GENERATED IN FISCAL</u> <u>YEAR 2012, BUT MAY INCLUDE HOSPITAL ASSESSMENTS AND REMITTANCES.</u>".

AMENDMENT NO. 8

On page 15, after line 6, insert:

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"<u>SECTION 2. AND BE IT FURTHER ENACTED</u>, That the Laws of Maryland read as follows:

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Article 24 – Political Subdivisions – Miscellaneous Provisions

<u>9–1101.</u>

(a) (1) Subject to subsection (d) of this section, for each fiscal year, the Comptroller shall distribute to a county the amount determined for each county under this section.

(2) The amount a county shall receive under this section in any fiscal year shall be based on the county income tax collected from individuals for the taxable year that ended in the second prior fiscal year, from returns filed through November 1 immediately preceding the applicable fiscal year, as determined by the Comptroller.

(b) (2) [(i) Subject to subparagraph (ii) of this paragraph, if] IF the per capita yield of the county income tax for a county determined under paragraph (1)(i) of this subsection is less than 75% of the per capita statewide yield of the county income tax determined under paragraph (1)(ii) of this subsection, the Comptroller shall determine the amount that would increase the county per capita yield to equal 75% of the statewide per capita yield, as rounded to the nearest dollar.

[(ii) For fiscal year 2012 only, if the per capita yield of the county income tax for a county determined under paragraph (1)(i) of this subsection is less than 77% of the per capita statewide yield of the county income tax determined under paragraph (1)(ii) of this subsection, the Comptroller shall determine the amount that would increase the county per capita yield to equal 77% of the statewide per capita yield, as rounded to the nearest dollar.]

(3) <u>A county may not receive a distribution under this subsection if the</u> <u>county tax rate in that county was less than [2.4%] **2.6**%:</u> HB0102/879732/1 Amendments to HB 102 Page 7 of 11 B&T

(i) For the taxable year that ended in the second prior fiscal

<u>year; or</u>

(ii) For any subsequent taxable year through the taxable year that ends in the current fiscal year.

(d) (1) [For] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, FOR fiscal year 2011 and each subsequent fiscal year, the distribution provided to any county or Baltimore City under this section may not exceed the amount distributed to the county or Baltimore City for fiscal year 2010.

(2) (I) IF A COUNTY OR BALTIMORE CITY HAS A COUNTY INCOME TAX RATE OF AT LEAST 2.8% BUT LESS THAN 3%, THE COUNTY OR BALTIMORE CITY MAY RECEIVE A MINIMUM OF 20% OF THE AMOUNT DETERMINED UNDER SUBSECTION (B)(2) OF THIS SECTION.

(II) IF A COUNTY OR BALTIMORE CITY HAS A COUNTY INCOME TAX RATE OF AT LEAST 3% BUT LESS THAN 3.2%, THE COUNTY OR BALTIMORE CITY MAY RECEIVE A MINIMUM OF 40% OF THE AMOUNT DETERMINED UNDER SUBSECTION (B)(2) OF THIS SECTION.

(III) IF A COUNTY OR BALTIMORE CITY HAS A COUNTY INCOME TAX RATE OF AT LEAST 3.2%, THE COUNTY OR BALTIMORE CITY MAY RECEIVE A MINIMUM OF 60% OF THE AMOUNT DETERMINED UNDER SUBSECTION (B)(2) OF THIS SECTION.

<u>SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland</u> read as follows:

<u>Article – Local Government</u>

<u>16–501.</u>

(a) <u>Subject to subsection (e) of this section, for each fiscal year, the</u> <u>Comptroller shall pay to an eligible county a grant in the amount determined under</u> <u>subsection (c)(3) of this section.</u>

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(b) <u>A county may not receive a grant under subsection (a) of this section if</u> the county's income tax rate was less than [2.4%] **2.6**%:

(1) for the taxable year that ended in the second prior fiscal year; or

(2) for any subsequent taxable year through the taxable year that ends in the current fiscal year.

(c) (3) If the per capita yield of the county income tax for a county determined under paragraph (2)(i) of this subsection is less than 75% of the per capita statewide yield of the county income tax determined under paragraph (2)(ii) of this subsection, the Comptroller shall determine the amount that would increase the county per capita yield to equal 75% of the statewide per capita yield, as rounded to the nearest dollar.

(e) (1) [For] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, FOR fiscal year 2011 and each subsequent fiscal year, the distribution provided to any county or Baltimore City under this section may not exceed the amount distributed to the county or Baltimore City for fiscal year 2010.

(2) (I) IF A COUNTY OR BALTIMORE CITY HAS A COUNTY INCOME TAX RATE OF AT LEAST 2.8% BUT LESS THAN 3%, THE COUNTY OR BALTIMORE CITY MAY RECEIVE A MINIMUM OF 20% OF THE AMOUNT DETERMINED UNDER SUBSECTION (C)(3) OF THIS SECTION. HB0102/879732/1 Amendments to HB 102 Page 9 of 11

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(II) IF A COUNTY OR BALTIMORE CITY HAS A COUNTY INCOME TAX RATE OF AT LEAST 3% BUT LESS THAN 3.2%, THE COUNTY OR BALTIMORE CITY MAY RECEIVE A MINIMUM OF 40% OF THE AMOUNT DETERMINED UNDER SUBSECTION (C)(3) OF THIS SECTION.

(III) IF A COUNTY OR BALTIMORE CITY HAS A COUNTY INCOME TAX RATE OF AT LEAST 3.2%, THE COUNTY OR BALTIMORE CITY MAY RECEIVE A MINIMUM OF 60% OF THE AMOUNT DETERMINED UNDER SUBSECTION (C)(3) OF THIS SECTION.".

AMENDMENT NO. 9

On page 17, after line 36, insert:

"<u>SECTION 13. AND BE IT FURTHER ENACTED</u>, That, notwithstanding any other provision of law, for fiscal year 2014, the Governor may include in the annual operating or capital budget submission for county library capital projects the lesser of:

(1) <u>\$5,000,000; or</u>

(2) the total estimated State cost of capital projects approved by the State Board of Education under § 23-510(e)(4) of the Education Article.".

AMENDMENT NO. 10

On page 17, before line 37, insert:

"<u>SECTION 14. AND BE IT FURTHER ENACTED</u>, That, notwithstanding any other provision of law:

(a) <u>Except as otherwise provided in this section, State employees employed</u> by any entity, including the University System of Maryland, Morgan State University,

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and St. Mary's College of Maryland, may not receive merit increases before April 1, 2014.

(b) This provision does not affect:

(1) <u>salaries for constitutional officers or members of the General</u> <u>Assembly</u>;

(2) increases necessary for the retention of faculty in the University System of Maryland, Morgan State University, or St. Mary's College of Maryland;

(3) payments under a collective bargaining agreement negotiated with an accredited representative in accordance with § 7–601 of the Transportation Article; or

(4) for fiscal year 2014 only, operationally critical staff.

(c) On or before December 1, 2013, in accordance with § 2–1246 of the State Government Article, the University System of Maryland, Morgan State University, and St. Mary's College of Maryland shall each submit a report to the Senate Budget and Taxation Committee and the House Appropriations Committee that details the policies adopted by the governing boards of those institutions to designate operationally critical staff, all staff identified as critical under subsection (b)(4) of this section, and any merit increases awarded as a consequence of this designation.

(d) On or before December 1, 2013, in accordance with § 2–1246 of the State Government Article, the Department of Budget and Management shall submit a report to the Senate Budget and Taxation Committee and the House Appropriations Committee that details the policies adopted to designate operationally critical staff, all Executive Branch staff identified as critical under subsection (b)(4) of this section, and any merit increases awarded as a consequence of this designation.".

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AMENDMENT NO. 11

On page 12, in line 15, strike "SECTION" and substitute "SUBSECTION".

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On page 15, in lines 9, 19, 22, and 26, strike "<u>2.</u>", "<u>3.</u>", "<u>4.</u>", and "<u>5.</u>", respectively, and substitute "<u>4.</u>", "<u>5.</u>", "<u>6.</u>", and "<u>7.</u>", respectively.

On page 16, in line 34, strike "<u>6.</u>" and substitute "<u>8.</u>".

On page 17, in lines 8, 16, 25, 33, and 37, strike "<u>7.</u>", "<u>8.</u>", "<u>9.</u>", "<u>10.</u>", and "<u>11.</u>", respectively, and substitute "<u>9.</u>", "<u>10.</u>", "<u>11.</u>", "<u>12.</u>", and "<u>15.</u>", respectively.

On page 18, after line 3, insert:

"<u>SECTION 16. AND BE IT FURTHER ENACTED</u>, That Section 2 of this Act shall take effect July 1, 2013.

SECTION 17. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect on the taking effect of Chapter (H.B. 472) of the Acts of the General Assembly of 2013. If Section 3 of this Act takes effect, Section 2 of this Act shall be abrogated and of no further force and effect.";

in line 4, strike "<u>12.</u>" and substitute "<u>18.</u>"; and in the same line, after "That" insert "<u>,</u> <u>except as provided in Sections 16 and 17 of this Act</u>,".